about the situation in Iraq, I was in the other House on the same subject.

Sir, but may I with your permission take this opportunity to say that the views expressed by my hon. friends have been receiving my attention.

Members have expressed their strong feelings on the US cruise missiles attacks against Iraq on September 3 and 4, 1996. Their sentiments are in large measure shared by the Government. It would be recalled that we had issued an official statement immediately after we received the initial information regarding the US attacks on September 3, 1996. We had expressed our great concern at these attacks and their adverse effects on peace and security in the area. We also expressed our firm conviction that enforcement action under UN Security Council resolutions can only be undertaken by the Council itself.

As Members have noted, there has been widespread international opposition to the US action, which is not in consonance with accepted norms and conduct in international relations. There is a particular responsibility on all countries to respect the international law and not to take the law into their own hands, and to preserve and strengthen the available international institutions for the maintenance of peace and security, especially the UN Security Council.

Despite the widespread international sentiment against the US action, the United States again undertook cruise missiles attacks on Iraq on September 4, 1996. We do not know if more attacks are planned. This is highly regrettable. The Government of India is unable to accept the justification put forward for the bombing, on the grounds of alleged Iraqi contravention of UN Security Council resolutions, or the protection of the interests of the US and its allies in the Gulf, has any basis. We call upon the United States to refrain from any further attacks on Iraq, and to respect its sovereignty and territorial integrity which has been reiterated in the same UN Security Council resolutions.

We are particularly distressed that the Security Council's relaxation on the embargo on Iraqi oil export to enable it to purchase medicines and food for the Iraqi people has been frozen. The Iraqi population, including the innocent women and children, have been subjected to great hardship and deprivation for many years by UN sanctions, and we believe that steps to provide them with relief are long overdue.

These developments have also had a direct impact on India. The price of oil has gone up. The adverse effect of the atmosphere of uncertainty in countries in the region, where we have important interest, including those flowing from the presence of large number of Indians living and working there, is naturally a worrying factor. There is also the possibility of these events leading to an upsurge of tension in the area.

We are watching the situation closely and we are in touch with friendly countries in this matter.

[English]

MR. DEPUTY-SPEAKER: The House stands adjourned to meet again at 2 o'Clock.

12.59 hrs

The Lok Sabha then adjourned for Lunch till Fourteen of the Clock.

14.10 hrs.

At 1400 hours quorum bell was rung. No quorum was made. At 1403 hours quorum bell was rung again and no quorum was made. At 1406 hours once again quorum bell was rung and no quorum was made. Thereafter, the Secretary-General made the following announcement:

SECRETARY-GENERAL: There is no quorum. So, the House cannot meet. We cannot start the House till there is quorum. The hon. Speaker has directed that the House will meet 15 minutes later.

14.26 hrs

The Lok Sabha reassembled at Twenty Six Minutes past Fourteen of the Clock.

(SHRI NITISH KUMAR *in the Chair*)

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

SITUATION ARISING OUT OF CLOSURE OF A NUMBER OF JUTE MILLS IN THE COUNTRY PARTICULARLY IN WEST BENGAL

SHRI P.R. DASMUNSI (Howrah): Sir, I call the attention of the Minister of Textiles to the following matter of urgent public importance and request that he may make a statement thereon:

"Situation arising out of closure of a number of jute mills in the country particularly in West Bengal and non-availability of funds for the purchase of raw jute from the market by the Jute Corporation of India and steps taken by the Government in regard thereto."

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): There was an abnormal increase in prices of raw jute during 1995-96 primarily because of a short crop and also smaller exportable surplus in Bangladesh. The consequent mis-match between supply and demand and increase in prices put a severe strain on the working of most jute mills. During July, 1996, the number of closed mills was 17, affecting 56,987 employees. This year there is likely to be a bumper crop. The

prices of jute have already fallen to a significantly lower level. As on 2.9.96 the figure of closed jute mills has come down to 9 effecting 22,870 workers. It is likely to go down further.

The Government has been taking measures aimed at improving the production and quality of raw jute, encouraging modernisation of jute mills, as also development of value added diversified jute products, including in the decentralised sector, to promote new uses of the fibre.

As for as the Jute Corporation of India is concerned, it has been engaged primarily in carrying out price support operations for raw jute. During the last three years prices of raw jute have been ruling much above the Minimum Support Price (MSP) and therefore JCI was not required to conduct procurement operations. During the 1996-97 season, if the prices fall to the level of MSP, we will take action to ensure that raw jute is procured at support prices.

Meanwhile, JCI has been released with some funds to meet its liability towards salaries and wages. This year, so far Rs. 5.45 crore has been released. Besides, National Jute Manufactures Corporation (NJMC) have repaid an amount of Rs. 5 crore to JCI towards part settlement of outstanding dues out of which an amount of Rs. 1.15 crore is to be utilised by JCI towards payment of salary and wages. JCI has been directed to use the remaining Rs. 3.85 crore for MSP operations. If prices fall to the level of minimum support price.

SHRI P.R. DASMUNSI: Sir, the jute scenario is not confined to West Bengal alone but to Assam, Tripura and also a part of Bihar. They are also facing the agony of the jute growers, jute mill workers and also other activities relating to jute industries. Unfortunately, the hon. Minister, just now in his statement has linked it with the latest development. It does not reflect the actual fact that had led to a year to year crisis of the jute growers, and the jute mill-owners which, ultimately, resulted to a collossal waste of national economy and sufferings of the jute growers. The jute growers are precisely the poorest farmers of Eastern India belonging to Assam, Bengal and Tripura and Sir, you may recall that the jute workers are from your State Bihar and Uttar Pradesh.

The rural people of North India come mostly in the jute mills as workers since the days of our national struggle. If the money order does not go to their villages in Bihar and Uttar Pradesh, the rural economy of those States also get crashed and law and order problem starts. So it is not Bengal alone which suffers but the surrounding inter-parts of Eastern India including Bihar and Uttar Pradesh and their villages suffer most in the crisis of jute mills in Bengal.

I have been watching very carefully and I am sorry to say that it is possibly a dangerous and sinister move by a particular lobby or a group which has been very active to work in a manner that entirely the jute is crushed and entirely the jute prospects are destroyed. Why I say so? There are reasons behind it.

While the hon. Minister is here and the hon. Minister of Finance is also here, they may kindly bear me out that while excise concessions are given to a number of industries, number of cash crop industries, number of other varieties like textiles, powerloom, cotton, etc. similar opportunities and facilities are never been given to the jute industry, not only for Bengal but to the jute industry as such. With the result the industry could not carry the backlog load and burden any more.

Even in the recent Budget Speech, I have carefully observed that the hon. Minister of Finance casually or very genuinely tried to avoid jute industry as a whole and their plight of suffering. I do not know why.

Now, Sir, while I talk of this thing, I come back to a situation when Government's own institution was crying. In 1971, it was no less than Shrimati Indira Gandhi, who was then the Prime Minister, who on the very floor of this House declared that 'my heart goes to the workers who grow paddy and jute.' Jute is our most traditional item since the days of our civilisation and especially in the days of our freedom struggle. It was jute which stood by our national struggle also.

Not only Indiraji, out of that feeling, immediately formed the Jute Corporation of India with a view to protect the growers for immediate support price operation but also Shri Lalit Narayan Mishra, the then hon. Minister on this floor of the House declared that the aim of Jute Corporation of India would be immediately to go for the monopoly procurement, to maintain a buffer stock and to protect not only the jute industry but to stabilise the market from the hands of the speculators who are looting the jute economy in Calcutta streets and also the surrounding region. Nothing, in that regard, had happened till this date.

Jute Corporation of India was kept in a dormant state and Jute Corporation's only duty, at one point of time, was to support the raw jute supply to NJMC, the public sector unit of Government of India's Textile Ministry where large number of jute mills are there. The largest public sector jute mill is, in my constituency, that is the National Jute Mill, which was nationalised again by Indiraji in 1971 from Goenka's claim.

The Jute Corporation of India used to supply raw jute to NJMC. The plea was that since NJMC, I mean the Ministry of Textiles, cannot pay back the money in time, so the Jute Corporation of India was asked not to give them raw jute and that they would buy it from private market. Look at the game, the Jute Corporation of India could not get back their money from the National Jute Mills Corporation of India, means the Ministry of Textile! On that plea they stopped Jute Corporation and since then have been giving their money to NJMC to buy the same jute from the private market, playing in the hands

of speculators and because of which rampant corruption is going on.

Sir, I am telling this to you because it is in my constituency. I cannot explain the magnitude of corruption to you. If you take the details from Chairman to five top executives of the past five managements and if you institute an inquiry the whole truth will be revealed as to what happened in this sector. It is a terrible thing. In the names of workers they are wasting the money. The workers are not wasting the money. Money is going somewhere else. Therefore, even the NJMC is becoming a sick unit because of the gross mismanagement there.

I challenge on the floor of the House that you take the price at which the private jute mill owners buy the jute from the market this year and even your national jute mill buys the jute and that price is not similar with that. This kind of speculation is going on. Several reports have been published. Nobody has cared to look into this aspect.

Then come the private jute mill owners. In most cases, they do not pay Provident Fund. That culture has started. The sick jute mills will be converted ultimately into closed jute mills. Then, one fine morning, the promoters will come, grab the land and construct the building. That is how, 59 jute mills in West Bengal are facing a disastrous situation.

Mr. Minister, what about your policy implementation programme about the Reservation Order of the jute packaging. The Jute Packaging Reservation Order was accepted by the Supreme Court and the Supreme Court made it categorical that this Order was valid and there was nothing wrong in the Constitution when the cement lobby wanted to question it. In spite of that, the Jute Reservation Order is not being maintained. Did you ever institute any mechanism to see as to why they are having this violation every year? There is a flagrant violation of the Jute Reservation Packaging Order by the cement lobby, by the fertiliser lobby and so many other sources just to please the synthetic lobby. I am giving the pictures one after the other. I will not take much time of the House.

The picture is very horrible. In the Jute Reservation Order the cement lobby made several arguments as to how to violate the Packaging Order and thereby crush the jute mills of West Bengal. The Textile Ministry sat idle. In the first few years the Textile Ministry took the plea that since the matter was in the court, they could not intervene as there was a temporary stay. When the Supreme Court finalised the issue, then also strict mechanism has not been adhered to by these industries. Therefore, this question has started.

The minimum support price operation of the JCI this year is Rs. 510 per quintal while the West Bengal Government has calculated the cost per quintal as more than Rs. 745. How will these jute growers be protected?

When the cotton issue comes in this House, when the sugarcane issue comes in the House, the whole House shouts. I share the concern of the House because they are also the farmers. When the *Tikaits* shout from the *maidan* or the Members shout from the House, the Government responds. I fully salute the Government and the Members because they are also the farmers. But why do you not respond in a similar tone to the jute growers? Is it because they have no lobby and they have no other supporting units? Why do you kill them? When the cost of production is Rs. 745, you are giving the operative price of Rs. 510 only. This is very unfortunate. This is a deliberate attempt and you are saying, 'you do or die'. We do not like this. This is not a fair treatment. This should be reviewed.

I would only like to point out the following four points. First is about the Jute Package Reservation Order dilution. How do you want to rectify it? Kindly find out a solution to this and answer. Second is diversification programme of the jute products on the UNDP aid projects. I would like to know how far progress has been made at least for the jute textile units. What about the Order of the Government through DGS&D and the jute bag quantum. Which had gone down in a big number, in a big quantity, due to which the jute mills are also facing sickness? What about your programme for fighting the corruption in the NJMC management? What are your programme to see why the Eighth Five Year Plan document could not make any progress in the jute sector as you envisaged in the beginning?

Your kindly compare all these matters with the statement of Shri Ram Niwas Mirdha who declared the Jute Packaging Programme. I do not like to read his statement because it will take much time. Shri Ram Niwas Mirdha has said at that time as to what for the Reservation Order was made. That has been violated by your own Ministry. I only request the hon. Minister whether it is possible for you, apart from extending your helping hand, to form either a Committee of the Parliament or a Committee of the Textile Ministry involving the Finance Ministry, Agriculture Ministry, the West Bengal Government and the concerned people, whom you like.

A committee may be formed with a time bound programme to inquire into the revival package of the closed jute mills, if finance permits and if the feasibility is there; to inquire into and further stabilise the functioning of the Jute Corporation of India for the monopoly procurement drive; to inquire into the mismanagement, corruption of N.J.M.C.; to suggest measures for its growth and stability in future; to consider the diversified production of jute goods and its funds for technical assistance in this regard for the geo-textile programme in West Bengal State; and to establish a regular mechanism to monitor jute package reservation order especially in cement and fertiliser sector.

With these few words, I would like the hon. Minister to answer my questions and to take serious steps so as to restore the jute economy of West Bengal.

SHRI SUDHIR GIRI (Contai): Sir, jute is produced largely in Assam, West Bengal and Tripura. *(Interruptions)*. Most probably in Bihar some production is there but no large quantity is produced. In the last three years, the production was not abandoned and the Government says that because of the short supply of jute by Bangladesh, the prices of jute increased and that is why the jute mill owners had to purchase less quantity from the jute growers. So, the prices were high and the Jute Corporation of India was not called upon to play their part in this field because the minimum support price was high enough.

The problem is there, was there and will also be there. But how will the Government tackle this problem? The problem relates to closure of jute mills; the problem relates to not giving minimum support price to the jute growers, but the problem relates to jute export. But if the export and the import markets are not expanded suitably, then the problems of jute and the jute goods will remain there forever.

I, therefore, would like to know from the hon. Minister whether the Government will take steps to provide credit at easy terms to the jute mill owners because they are traders and they are not practically the entrepreneurs. They earn money and whenever they get the money, they transfer their capital for investment in other fields, elsewhere in India. That is to be looked into. If the cooperatives are formed in the jute mills themselves, then they can easily be provided with credit on easy terms. Then, they can manage their own affairs. This is my personal view.

As far as exports are concerned, the hon. Finance Minister is here, if some concessions such as duties are exempted, then the mill owners will be in a position to supply more to the export market.

We know that when we try to expand our export market, stiff competition will have to be faced from Bangladesh. Bangladesh mill owners have modernised their mills.

But our mills are not modernised at all. Our jute mills require enough modern equipment. For want of this modern equipment our jute mill owners are suffering. So, I want to know from the hon. Minister whether steps will be taken to modernise the Indian jute mills or not. If we can have modern jute mills, then we shall be in a position to compete with Bangladesh in the export market.

The Indian jute mills do not possess any research and development wing. Our technologists are there. Very many scientists are there. They can also invent modern technology for the production of jute goods so that the jute goods can compete in the external market suitably. I want to know from the hon. Minister whether he will be in a position to supply and provide enough money for the development of this research and development.

Artificial bags or bags required for purposes of the consumers are being made of other goods and not jute goods. If the Government can save itself from the temptation of the foreign suppliers for these artificial things, then our jute mills will be saved.

The minimum support price has to be increased. The Government says that because of the fact that this year abundant jute is growing, the minimum price will fall.

MR. CHAIRMAN: Please ask the question and conclude.

SHRI SUDHIR GIRI: I am coming to the question. I have been putting some questions and I shall also put some more questions.

The Government says that because of the large production of jute there will be abundant availability of jute to the mill owners and so the J.C.I. will not be called in to play their part in this picture. But this is not true because the minimum support price has to be increased because of the fact that there is price rise for all goods. Heavy inflationary pressure is there. The prices of all other goods are increased. Why not the minimum support price of jute be increased in the absence of which the growers are suffering? I think the amount of Rs. 3.85 crore which is at the disposal of the J.C.I. should be increased because this is a very negligible amount and the jute growers require more. We have to provide them more money.

Sir, I want to know one more thing from the hon. Minister. I want to know whether they can save the jute industry from the hands of the traders or not. They are looting the money. They are not investing money in the jute mills. They are investing their profits in other areas in the country.

I also want to know from the hon. Minister whether the Government would be in a position to get the jute industry free from the traders and whether steps will be taken to commercialise it in such a way that jute owners, jute growers and jute mill workers are in a position to have the benefits.

SHRI HANNAN MOLLAH (Uluberia): Mr. Chairman, Sir, already lot of things have been brought to the notice of the House that 40 lakh jute growers and 2.5 lakh jute workers, as Shri Dasmunsi earlier mentioned, are involved in this industry. This is the oldest industry. This is the mother of the Indian industry. Now, all the children have joined hands to kill their mother. Jute produced the first initial capital and that flight of capital took place in other industries and now not a single pie has been reinvested in jute industry. The criminals are owning the big jute mill industry.

Secondly, Sir, we all know how the loot took place. There are a large number of jute mills in my own constituency. Out of the 19 closed mills, Kanoria and Bawaria jute mills are also closed down. What happened, Sir, is that the jute owners have a jute mill and a raw jute company. They purchased raw jute for Rs. 600 per quintal from the market and put it in their

godown. Then, they changed the godown to the jute mill godown and put it for Rs. 1,800 per quintal. They earned Rs. 800 to Rs. 900 per quintal only by changing the godown. Before the production of jute starts, major part of money has already been looted. This is the procedure going through the nose of the Government, which everybody knows, for the last 15 years, but nobody will touch them because jute barons are so powerful and by and large they are black marketeers. So, these people are running the jute industry, looting the country, peasantry and jute workers. So, these things should be inquired into. Only by changing godowns, they are looting money in this way.

Sir, the argument of shortage is also not correct. There are 72 jute mills which need 80 lakh bales of jute per year and the production this year will be of 90 lakh bales. Since they want to create the sense of scarcity for the purpose of black marketing only. This issue should also be looked into by the hon. Minister.

Sir, they compare the Jute Corporation of India and the National Cotton Corporation. The National Cotton Corporation purchases cotton and gets the entire money to purchase cotton from the growers. If the production of cotton is less, then it imports cotton and supplies to the mills. But in the case of jute, the Government does not do that. Shri Dasmunsi has mentioned, how they are dealing with JCI. It started functioning with Rs. 5 crore. Now, what is the situation? The MGMC mill dues are Rs. 125 crore to JCI, then Rs. 61 crore subsidy arrears are not yet paid. Then, every year they need Rs. 18 crore for payment to their workers. They are now getting Rs. 5 or 6 crore. In that way, hundreds of crore of rupees are pending and not being paid to JCI and we are blaming the JCI. Hence, there is total discrimination if you compare National Cotton Corporation and Jute Corporation of India. This is also a calculated effort to create problems for this oldest industry of the Eastern region of this country. So, I demand that the JCI should get all its dues so that it should also be able to participate in industrial production.

Sir, regarding the minimum price, I think the Minister of Agriculture should also have been here because his role is to fix the minimum price. As Shri Dasmunsi has said, all other sectors of the agriculture have a very strong lobby in the ground, in the Government, in the brokers and everywhere. So, they can get their dues. But the Eastern region itself is very weak in lobbying.

The lobbying culture is also not there. They do not believe in lobbying because there is some criminality in it. We have that weakness in this region. We cannot have that lobby and so we are being deprived of a good price. The price should be increased. The expenditure per quintal is Rs. 750/- and if you pay Rs. 510/- per quintal, then it is a discrimination and it cannot save the jute growers.

As far as modernisation is concerned, a package of Rs. 150 crore was announced three years back. How much money has been withdrawn? How many mills have taken that money and how many mills have been modernised? We do not know whether they have siphoned off that money to other areas. So, what is the status of modernisation? We want to know the position about all these things regarding modernisation.

Then, synthetics is a weak competitor against jute. But now even the environmentalists are coming in favour of it. The world market of jute is growing and the internal market is also growing. The other point is, the Government itself is not implementing the Jute Packaging Material Act. We want to know whether the Government is going to implement the Jute Packaging Material Act in right earnest. If the Government itself violates its own Rules and Act, how can we blame others?

Finally, I come to the question of recommendation of the West Bengal Government.

MR. CHAIRMAN: You are putting your last question. That is why you are asking something 'finally'. Please leave something for your fellow Members.

SHRI HANNAN MOLLAH: Yes, Sir. This is my last question. Earlier, there was a recommendation when Shri Ashok Mitra was the Finance Minister in West Bengal. He made a proposal to involve panchayats and give Rs. 200 crore to the cooperative panchayats and the Jute Corporation of India so that they can have a monopoly purchase of raw jute and supply to NJMC and other jute mills, as a result of which the *phatka* can be stopped in the raw jute market. So, if that can be stopped, we will be able to save 40 lakh jute growers and two-and-a-half lakh jute mill workers. I hope the hon. Minister will answer my questions.

SHRI AJAY CHAKRABORTY (Basirhat): Mr. Chairman, Sir, my learned colleagues are very much agitated and so, I need not get agitated much on this matter. I only call the attention of the hon. Minister to the plight of raw jute growers and the workers of jute industry.

As you are aware, jute is not only grown in West Bengal, but it is also grown in Assam, Tripura and parts of Orissa, Bihar and Andhra Pradesh. Raw jute is grown only by marginal jute growers and poor jute growers. After the raw jute is harvested, the Jute Corporation is practically taking no steps and they are reluctant to purchase raw jute at a remunerative price from jute growers. There are so many offices of the Jute Corporation of India to purchase raw jute from the jute growers. But they are sitting idle and no financial assistance is given to them to purchase raw jute directly from the growers.

So, the raw jute growers are being exploited by the middlemen, speculators and practically the jute growers are deprived of remunerative prices, because the Jute Corporation of India is not taking any steps and it is very reluctant to purchase raw jute from jute growers. In this context, may I know from the hon. Minister whether the Government of India

have taken it seriously to purchase raw jute directly from jute growers?

15.00 hrs.

Is the Government of India thinking to re-constitute a committee consisting of the representatives from the raw jute growers, *i.e., kisans'* organisations, trade unions and important personalities of the political parties from the raw jute growing States?

Sir, the condition of the workers of the jute industry is pathetic. My learned colleagues have already stated the condition of the jute industry. A large number of jute industries are closed and only a few jute industries are working. But the workers who are working there, are not getting their remuneration. They are also not getting any financial assistance such as provident fund, etc. A large number of people from Eastern and Northern regions are coming to Calcutta and the suburbs of Calcutta for working in the jute industries. Due to the closure of jute industries, the condition of these workers is very pathetic and some of the workers have even committed suicide due to unbearable starvation and unbearable poverty. This is the position of the jute industry workers. We know that our neighbouring country, Bangladesh, has already taken some measures for modernisation of the jute mills. But I do not know whether our Government has taken any steps for modernisation of jute mills. May I know from the hon. Minister whether the Government of India has taken any decision to modernise jute mills? If so, how many jute mills have been modernised in the jute industry area? May I also know from the Government of India whether any steps have been taken against the jute industrialists who are not paying provident fund and other remuneration to the poor workers? What legal steps have been taken by the Government of India in this regard?

Sir, I think the other hon. Members have already covered many points, so I only want to hear the reply of the hon. Minister.

SHRI TARIT BARAN TOPDAR (Barrackpore): Sir, I shall not take much time although I had been elected by the jute workers and the jute growers. It is the biggest jute industrial belt and most of the jute mills are situated in my constituency and my district.

15.03 hrs.

[PROF. RITA VERMA *in the Chair*]

[Translation]

First of all, I want to submit that we have to change the legacy left by the Congress Government. If the same mental outlook continues, even the Common Minimum Programme will not enable us to proceed in the right direction.

[English]

The Common Minimum Programme must have come about in the background of certain ideological and philosophical changes in the outlook. The erstwhile Government and during 1994, the jute industry was declared a sunset industry, a dying industry and the legacy has been continuing. Nobody was paying heed to any cry or any call or any SOS. We have got BIFR — for funeral references as I have understood — dealing with so many industrial conciliations and industrial matters. Most of the jute industries are registered with the BIFR.

[Translation]

We have to decide whether we should lose our self-reliance for the sake of growth and development.

[English]

Should we say good-bye to our self-reliance? Are we in a position to import the packaging material? Now, actually, we are doing that. We are importing the packaging material while we should have been the biggest exporter of the packaging material in the international market.

The indigenous jute industry is one hundred per cent capable of earning foreign currency, the rupee would have been one hundred per cent exchanged in terms of dollars. This jute industry has been declared as a sunset industry, but in this regime of trade war, I consider this as a sunrise industry. In Europe and America, we can dominate in the packaging materials market. But who will give the lead?

MR. CHAIRMAN: The Member may please ask the question.

SHRI TARIT BARAN TOPDAR: The Government has to give the lead. It is not unusual to say that the Government has a duty to manufacture gunny bags. There is a special point which is that our industrialists in the jute sector have fled away; they have taken away the capital investment elsewhere and the worn-out industry has been left out. I would like to know whether the Government is coming out with a comprehensive proposal or programme or scheme to rehabilitate the jute industry as well as to participate in a big way in the international market in the form of exporting different types of bags, which are eco-friendly, as required by the foreigners. My moot question is whether the Government has got a comprehensive plan like that or it is just simply going to say that the industry is sick and the extent of sickness has to be considered by the BIFR. Whenever the BIFR comes out with a package, the Government delays it. I have got ample examples but I am not going into them now. I would like to know whether we will be depending on the recommendations of BIFR or we will have a policy for the country as a whole in order to participate in the export market and dominate the packaging materials market in the world. We can be

competitive and we can do very well. As a temporary measure, I would like to know whether the Government will readily implement the Compulsory Jute Packaging Order. The Supreme Court has upheld the constitutional validity of the Compulsory Jute Packaging Order. According to this order, 50 per cent of the cement that has been manufactured has to be marketed in jute bags, cent per cent urea has to be marketed in jute laminated bags. Instead of that, HDPE and PAP bags are being utilised. Once again my question is: Should the Indians not dominate the packaging material market in the world or should we go on importing the packaging material and use the imported packaging material? I would like to know whether we will be using the imported packaging material. This is the basic question that has to be answered. If growth and development is void of self-reliance, then, the answer will be on one side. If growth and development has to be associated with self-reliance, then, the answer will be on the other side.

Now, I come to the last point about JCI. Much has been said about it. I will read just certain portions of the letter written by the hon. Minister to the hon. Chief Minister Shri Jyoti Basu. Here, a few questions come. One, in the second para of the letter, it has been described that the Jute Corporation of India was not required to undertake any price support operations because price is stable for this year. The question that arises is if the JCI is only meant for price support operations and only dedicated for that purpose, then, the lamentation should not be there on the part of the Government that they are spending idle wages. On the one hand, the Minister says that it is only for price support operations but on the other hand, he says that 2400 people are not getting their jobs; are not earning their wages against work. If sustained work is not given, this paradox will arise. How can you avoid this paradox if you contemplate only a support price operation? Our demand, for long, has been the compulsory purchase of jute by the JCI or it should be monitored by the JCI to be associated with the Panchayats and the Cooperatives. This has been our proposal for so many decades. But it was unheeded.

MR. CHAIRMAN: You are not to make a speech. Just ask questions.

SHRI TARIT BARAN TOPDAR: I just take one minute. I am asking another question. The erstwhile Government suggested commercial operations to be carried out by the JCI. My question is whether the U.F. Government is ready to agree to that proposal or not.

MR. CHAIRMAN: Enough questions have been asked.

SHRI TARIT BARAN TOPDAR: A very vital question was raised as regards repayment of dues by the JCI. The JCI owes a huge sum to NJMC. The point is that the NJMC is a Government Undertaking and the JCI is also a Government Undertaking. They are the two creatures of the Government. One is saying that it is not paying and the other one is saying that it is not doing the work. This is the position. In this case, the Minister has by-passed the issue strangely by stating the blames and counterblames of it. My question is that when both the wings are in the same Ministry, whether the Minister is ready to set aside the issue once and for all.

My last point is this.

MR. CHAIRMAN (PROF. RITA VERMA): You have asked enough questions. Now let the Minister answer. You have to ask only one clarificatory question.

SHRI TARIT BARAN TOPDAR: This is my last point.

MR. CHAIRMAN: The time is very short. You have taken enough time. You have to ask one clarificatory question and not too many questions.

SHRI TARIT BARAN TOPDAR: This is the last question, I am asking.

MR. CHAIRMAN: You will get only half a minute for this question.

SHRI TARIT BARAN TOPDAR: I would like to know whether, in course of suggesting about the cooperatives in his letter to the Chief Ministers, the Government is planning through the JCI to associate the panchayats and cooperatives for total and compulsory procurement of jute.

SHRI R.L. JALAPPA: Madam Chairman, I have heard with rapt attention all the senior Members who have given many suggestions and also have enlightened me about the drawbacks that are prevailing in the NJMC.

Before I explain this elaborately, I want to place a few salient features before this august House. The NJMC was taken over by the Government about eight to ten years ago.

SHRI TARIT BARAN TOPDAR: Fifteen years ago.

SHRI R.L. JALAPPA: Fifteen years ago. Very good. The paid up share capital of the NJMC was Rs. 54.80 crore. The loss is about Rs. 751.22 crore. The Government hitherto have paid Rs. 621 crore to this NJMC. We have been paying Rs. 80 crore every year. I do not know how long the Government will be forced to pay this Rs. 80 crore for these six mills. They are not idle mills. These mills are in a running condition. Unfortunately, the manpower is too much. Let us see, in future, whether we would be able to reduce it at least by one-third.

SHRI TARIT BARAN TOPDAR: That is not correct.

SHRI R.L. JALAPPA: Whatever I have heard, I am telling you. There was a committee constituted for this purpose which

suggested for modernisation at a cost of Rs. 253 crore. I am not suggesting these things. There is a plan of Rs. 253 crore for modernisation of these six mills. They have prepared the plan but they have not mentioned as to wherefrom should we get this money for modernisation.

Secondly, I come to this Jute Corporation of India (JCI). One of the main charters in the Jute Corporation of India is to get into the market whenever there is a price crash. Fortunately for the farmers, the prices have not crashed for the last four, five years. I would give some figures to show that these prices are much more than the support price. Therefore, the JCI have no business to interfere in the market. They did not purchase from the market. My friends, are suggesting me that it should work on the commercial basis. I do not understand why the Government should take up these things when it is the responsibility of the Government of the State to strengthen the cooperatives and the panchayats to get into the market and purchase the stores for itself. Now the money is available with the NABARD. They can as well force the Government of West Bengal to strengthen these cooperatives. I am told that not even one-fourth of the cooperatives are strong enough to get into operation. Hundreds of cooperatives which were strong about four years ago are unfortunately, weakened now. And, thereby, they are not getting into the market.

Madam, the very purpose of formation of the JCI is to help the farmers, whenever the prices crash. But when the prices are higher than the minimum support price then there is no question of entering into the market by the JCI.

What is the story of the JCI? They have got 2450 employees. Yearly, the Government is spending approximately Rs. 18 crore as wages and for the last four or five years they have not purchased anything there. They are keeping 220 godowns empty.

SHRI TARIT BARAN TOPDAR: Whatever questions we have asked, that should be answered.

MR. CHAIRMAN: Please let him reply, first. Please sit down.

..... *(Interruptions)*

SHRI R L. JALAPPA: Please bear with me. I am placing the facts... *(Interruptions)*

SHRI TARIT BARAN TOPDAR: Is the JCI of its own? The Government has appointed .. *(Interruptions)*

MR. CHAIRMAN: Please let him reply.

SHRI R.L. JALAPPA: I am not blaming anybody. I am not holding anybody responsible. I am only placing the facts before you, Madam. Let him not get agitated over this. After all, we are all responsible people.

So many people were telling, it is a big portfolio and all that but when I entered into it, I am thinking as to why a Minister has to reply for this... *(Interruptions)*

My budget is Rs. 860 crore, I think. I am spending nearly Rs. 300 crore over the NTC and Rs. 100 crore over the JCI and NJMC. So, Rs. 400 crore is gone and I am left with only Rs. 460 crore. Out of this amount, Rs. 70 crore is given to the Central Silk Board. So, I am left with only Rs. 390 crore. What I must do with this amount? The position is that after seven or eight years there will be liberalization where there will be no protection for any industry either cotton or silk or jute or wool, and by that time the handloom weavers whose strength is about one and a half crore, must try to earn their living. How are we going to prepare them to face this eventuality after eight years with this meagre Rs. 390 crore, out of which Rs. 120 crore will go towards establishment charges? I am left with only Rs. 270 crore or Rs. 250 crore. Does it require a Minister, Cabinet to manage it... *(Interruptions)*...

Last year, of course, in the month of July and August, the prices were very high because there was no jute with the growers. It was with the dealers. So, it was not available and prices went high. This time, fortunately, the crops are good, we are expecting about 30 lakh balls more into the market whereby there may be some fall in prices.

Yes, we are here to protect the interests of the farmers I assure, through you, Madam, if unfortunately prices were to crash, we are going to get into the market and purchase jute in a big way. And, my friend Shri Chidambaram has also assured me that in case we go slow, he would be coming to our rescue.

Shri P.R. Dasmunsi has told me that there is a lot of corruption in the NJMC.

SHRI RAM NAIK (Mumbai-North) : Where it is not? It is everywhere.. *(Interruptions)*

SHRI R.L. JALAPPA : I cannot take excuse of that.

Madam, Shri Dasmunsi had advised me to form a Committee. I assure him that I will certainly do so. Not only there, I am also thinking of forming a Committee for the NTC operations also.

It was disgusting or disheartening to find that NTC, after having been taken over, has been incurring loss everyday and every hour. Their loss is probably to the tune of Rs. 3450 crore. I do not know how to make up this loss. They have prepared a plan for Rs. 2005 crore. Only God knows how the money is to be mobilised. It has to be by selling land.

SHRI RAM NAIK : It means that the Government has become completely helpless in so far as the rehabilitation of textile workers is concerned. It is a serious matter. How can God help you? The Finance Minister can help you. But he is smiling mischievously. So, you must help him and ensure that the textile workers and the jute workers get their due share. That is what the Government should do.

SHRI P.R. DASMUNSI : BJP also is saying that God cannot help!

SHRI TARIT BARAN TOPDAR : The Minister has to answer the questions put to him.

MR. CHAIRMAN : You have already asked many questions. Now please sit down, let the Minister answer.

SHRI R.L. JALAPPA : If BJP has lost faith in the God, if they do not believe in Him, what can I do now?

For the last one week the price of jute has been going high. On 27.8.1996 in Assam and Meghalaya it was Rs. 730; on 3.9.1996 it was Rs. 790. In North Bengal it was Rs. 870; now it is Rs. 920. In South Bengal it was Rs. 800; now it is Rs. 850.

As far as research is concerned, we have two Institutions - one is IJIRA and another is IJT. We are spending nearly four to five crores of rupees for research work. I wanted to go there personally to find out what research they are doing. Unfortunately I could not go. I am thinking of going there in the last week of this month and find out what is going on.

My friends were asking me to give some support to exporters. We are already supporting them by way of collecting cess from the mill owners. We are subsidising these exporters. Exports also have gone up considerably during the last three years. In 1993-94 it was of the order of Rs. 380 crore; in 1994-95 it went up to Rs. 487 crore and in 1995-96 it touched Rs. 546 crore. That means, exports are going high. We are at it.

About the enforcement of Jute Control Order many representations have been received. Some say that bagging cement in gunny bags gives room for spillage. Nearly one to one-and-a-half kilogram of cement is being spilled out. So, the cement manufacturers do not want cement to be bagged in gunny bags. When the jute manufacturers met me, I asked them whether it was possible to produce bags with some lamination inside the bags, so that the spillage was not there. They have said that it is possible. I will find out whether this can be enforced to see that spillage from the gunny bags is prevented.

Regarding other things, food items are being bagged in gunny bags; urea is being bagged in gunny bags to the extent of 60 to 70 per cent. Other things are also being bagged in jute bags.

I think I have answered almost all the quaries. I have already said that I am thinking of constituting a committee to go into the working of this institution.

I am going to do this. Also, for NTC, I am going to constitute an independent committee to go through the... *(Interruptions)*

MR. CHAIRMAN : No more questions please.

... *(Interruptions)*

SHRI R.L. JALAPPA : That will be looked into. Textiles also will be looked into. I think that I have answered all the questions.

MR. CHAIRMAN : I now ask the Minister of Finance to reply to the discussion on the General Budget.

... *(Interruptions)*

SHRI RAM NAIK : Madam, the time now is 3.30 p.m. It is time for Private Members' Business.

MR. CHAIRMAN : I agree with you but if the House permits and if Shri Subbarami Reddy permits,...

(Interruptions)

DR. T. SUBBARAMI REDDY (Vishakapatnam) : I have no objection. Let us have the reply of the Minister of Finance. Then, we can start... *(Interruptions)*

SHRI RAM NAIK : The Private Members' Business cannot come later.

MR. CHAIRMAN : Let it come later.

SHRI RAM NAIK : It cannot come later.

[Translation]

SHRI BHAGWAN SHANKAR RAWAT (Agra) : Please take up the Private Members' Bill first. Do not curtail our rights.

[English]

DR. T. SUBBARAMI REDDY : I have moved the bill and I have no objection. *(Interruptions)*

PROF. P.J. KURIEN (Mavelikara) : You cannot change the time. That is our right. *(Interruptions)*

[Translation]

MR. CHAIRMAN : What is your objection to it?

[English]

SHRI RAM NAIK : It makes a lot of difference. He can